

# CHRISTEL HOUSE ACADEMY

## 2012-2013 Performance Analysis

### Core Question 2: Is the organization effective and well-run?

2.1. Is the school in sound fiscal health?	
<b>STANDARD</b>	<b>2.1-1: The school demonstrates satisfactory performance in all areas identified: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default</b> <b>2.1-2: The school demonstrates satisfactory performance in all areas identified: 3 Year Aggregate Net Income, Debt to Asset Ratio, and Debt Service Coverage Ratio</b> <b>2.1-3: The school does not present concerns in the financial audit or financial reporting requirements</b>

### 2012-13 2.1-1 Performance: **Does Not Meet Standard**

Indicator	Ratio	Measures	Rating	2012-13	2012-13
2.1 Short Term Health	Enrollment Variance Ratio	Enrollment Ratio equals or exceeds 99%	<b><i>Meets Standard</i></b>	98%	Does Not Meet
		Enrollment Ratio is between 90% - 98%	<b><i>Approaching Standard</i></b>		
		Enrollment Ratio is less than or equal to 89%	<b><i>Does Not Meet Standard</i></b>		
	Current Ratio	Current Ratio equals or exceeds 1.1	<b><i>Meets Standard</i></b>	0.46	
		Current Ratio is between 1.0 - 1.1	<b><i>Approaching Standard</i></b>		
		Current Ratio is less than or equal to 1.0	<b><i>Does Not Meet Standard</i></b>		
	Days Cash On Hand	Days cash on hand equals or exceeds 45	<b><i>Meets Standard</i></b>	10	
		Days cash on hand is between 30-45 days	<b><i>Approaching Standard</i></b>		
		Days cash on hand is less than or equal to 30 days	<b><i>Does Not Meet Standard</i></b>		
	Debt Default Evidence	Not in default or delinquent	<b><i>Meets Standard</i></b>	Meets	
Default or delinquent		<b><i>Does Not Meet Standard</i></b>			

Christel House Academy **did not meet** standard for core question 2.1-1 for the 2012-13 school year. Based on data from the September 2012 count day, the school's enrollment came in slightly under targets stated in its charter agreement. For this reason, the school approached standard for this sub-indicator. The school had fewer current assets than current liabilities (those due in the next 12 months) and as a result did not meet standard for this sub-indicator. Christel House Academy ended the year with 10 days of cash on hand. This means that if payments to

the school had stopped or been delayed post June 30, 2013, the school would have been able to operate for 10 more days. As a result, the school did not meet standard for this indicator. Finally, the school successfully met its debt obligations based on the information that Sikich, the school's auditor, provided. The school's creditors provided no communication to indicate anything to the contrary. Since the school met standard for one sub-indicator, approached standard for one sub-indicator and did not meet standard for two sub-indicators, it did not meet standard for core question 2.1-1.

**2012-13 2.1-2 Performance: Approaching Standard**

2.2 Long Term Health	3 Year Aggregate Net Income	Aggregate 3 year Net Income is positive and most recent year is positive	<b><i>Meets Standard</i></b>	<u>NA</u>	Approaching
		Aggregate 3 year Net Income is positive and most recent year is negative	<b><i>Approaching Standard</i></b>		
	Net Income	Aggregate 3 year Net Income is negative	<b><i>Does Not Meet Standard</i></b>	-\$1,796,250.00	
	Debt to Asset	Debt to asset ratio is less than or equal to 0.9	<b><i>Meets Standard</i></b>	0.76	
		Debt to asset ratio is between 0.9 - 0.95	<b><i>Approaching Standard</i></b>		
		Debt to asset ratio equals or exceeds 0.95	<b><i>Does Not Meet Standard</i></b>		
	Debt Service Coverage (DSC) Ratio	DSC ratio equals or exceeds 1.15	<b><i>Meets Standard</i></b>	<u>NA</u>	
		DSC ratio is between 1.05-1.15	<b><i>Approaching Standard</i></b>		

The school **approached** standard for core question 2.1-2. The school did not meet standard for net income because it generated a negative net income for 2012-13. It should be noted, however, that the school's operating income was positive. Its net income became negative because of a legislative change to funding that resulted from the Common School Loan forgiveness. Note 3 (pages 11 and 12) of the audit provide more insight into what the specific changes were and how they impacted the school's net income. Despite challenges with net income, the school still met the sub-indicator for its debt to asset ratio. The school's assets exceeded its debts. Given that the school has no long-term liabilities, it was not necessary to calculate the debt service coverage ratio. Since the school met standard for one of the sub-indicators in core question 2.1-2 but did not meet standard for the other sub-indicator, it approached standard for core question 2.1-2.

**2012-13 2.1-3 Performance: Meets Standard**

2.3 Reporting Requirements	Annual Independent Accrual Based Audit	Receives a clean audit opinion	Meets Standard	Meets	Meets
		Receives a clean audit opinion with a few significant deficiencies noted but no material weaknesses	Approaching Standard		
		Receives an audit with multiple significant deficiencies, material weakness or is a going concern	Does Not Meet Standard		
	Financial Reporting Requirements	Satisfies all financial reporting requirements	Meets Standard	Meets	
		Fails to satisfy financial reporting requirements	Does Not Meet Standard		

The school **met** standard for core question 2.1-3. The school met standard for its annual accrual based audit because it received a clean audit report with no significant deficiencies or material weaknesses. The school met standard for all of its reporting requirements throughout the school year and the school's auditors issued their report on February 25, 2014.

<b>2.2. Are the school's student enrollment, attendance, and retention rates strong?</b>	
<b>STANDARD</b>	The school is consistently fully enrolled. Student attendance and retention rates are generally at or above the school's agreed-upon target rates.

**2012-13 Performance: Meets Standard**

CHA missed its enrollment by 2.4%. The table below displays the school's target enrollment compared with its fall enrollment as reported by IDOE.

<b>Year</b>	<b>Target Enrollment</b>	<b>Fall Enrollment</b>	<b>Percent Below</b>
2012-13	628	613	2.4%

**Source:** Official fall enrollment figures from the IDOE. Target enrollment is the maximum capacity from the school's charter agreement with the Mayor's Office, submitted by the school.

The 2012-13 attendance rate at CHA was on par with the averages of both the county and the state.

	<b>CHA</b>	<b>MC</b>	<b>IN</b>
<b>2012-13 Attendance rate</b>	95.8%	95.7%	95.8%

No targets have been established for student retention rates for Christel House Academy.

Based on the 2012-13 performance, CHA **met** the Mayor's Office standard for this indicator because they were nearly at full enrollment and had an attendance rate in line with that of both the state and county.

2.3. Is the school's Board active and competent in its oversight?	
STANDARD	The board's membership collectively contributes a broad skill set and fair representation of the community; board members are knowledgeable about the school; roles and responsibilities of the board are clearly delineated; board meetings reflect thoughtful discussion and progress in the consideration of issues; overall, the board provides consistent and competent stewardship of the school.

2012-13 Performance: **Exceeds Standard**

The Christel House Academy Board was active, experienced, and competent in its oversight of the school. The roles and responsibilities of the board were clear with each member understanding his or her role. The board members were diverse and represented broad skill sets that are of great value add including education, legal, and finance expertise. Though the board meets quarterly, members were consistently engaged and were knowledgeable about the school in the absence of monthly board meetings. The board worked extremely well with Christel House International to ensure that appropriate decisions were made and was actively involved in critical decisions that impacted the school.

The board chair, Murvin Enders, possessed a clear understanding of the mission of the school, engaged in a decision making process that reflected a desire to act in the best interest of students and staff, and had a clear grasp on the needs of the community the school serves. The board chair was proactive and continuously sought ways in which the board could assist in providing students at Christel House Academy with high quality educational options. He provided stable leadership and worked with fellow board members to establish clear roles and responsibilities. The board chair was responsive to all issues and concerns while providing support to both the school leader and fellow board members.

The board consistently reached a quorum and engaged in thoughtful discussion at meetings. The board held the school leader, Carey Dahncke accountable for results, yet created a supportive environment that enabled the leadership team to thrive. The board discussed many aspects of school operations, including academics, finances, and community engagement. Accordingly, for the 2012-13 school year, Christel House Academy **exceeded standard** on this Mayor's Performance Framework indicator.

2.4. Is there a high level of parent satisfaction with the school?	
STANDARD	More than 80% but less than 90% of parents surveyed indicate that they are satisfied overall with the school.

**2012-13 Performance: Meets Standard**

In the Spring of each year, researchers administer anonymous surveys to parents of students enrolled at Mayor-sponsored charter schools. In 2012-13, 85% of Christel House Academy parents reported overall satisfaction with the school. Based on this data, Christel House Academy **met** the Mayor's Office standard for this indicator.

<b>2.5. Is the school administration strong in its academic and organizational leadership?</b>	
<b>STANDARD</b>	The school's leadership has sufficient academic and/or business expertise; has been sufficiently stable over time; has clearly defined roles and responsibilities among leaders and between leaders and the board; actively engages in a process of continuous improvement which has led to some mid-course corrections.

**2012-13 Performance: Exceeds Standard**

The administration and leadership at Christel House Academy demonstrated solid academic and business expertise with roles and responsibilities among and between leaders clearly defined. The administration had extensive school leadership experience and brought a wealth of knowledge to the school. The Principal, Carey Dahncke, provided competent leadership and worked to provide an environment with high expectation and standards. The Principal worked well with the Assistant Principal, Tracy Westerman, to support and mentor staff while also implementing policies and procedures that were in the best interest of Christel House Academy.

The school leadership was effective in creating, promoting, and meeting school goals while proactively sharing results with the board. The leadership team also worked with the board to support staff members and engage the families of the students served. Accordingly for the 2012-13 school year, Christel House Academy **exceeded standard** on this indicator.

<b>2.6. Is the school meeting its school-specific organizational and management performance goals?</b>	
<b>Meets standard</b>	School has clearly met its school-specific organizational goal.

**Not Evaluated.** Christel House Academy did not have school-specific organizational and management performance goals to be evaluated for 2012-13.